Delivering Increased Value from Post-Secondary Education
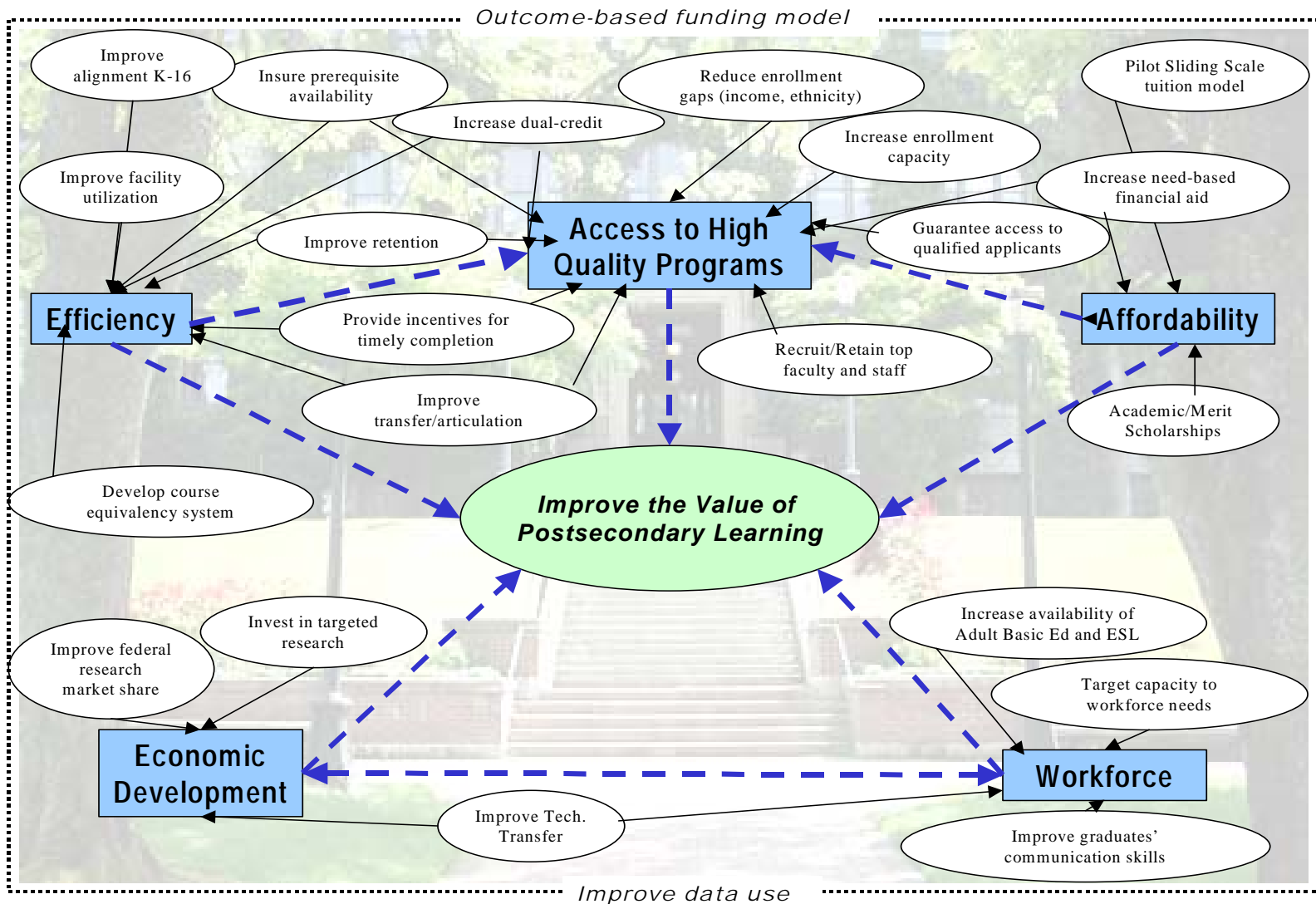# Tollgate #3

1. Map of Causal Factors
Our map has not changed since Tollgate 2.

Outcome-based funding model

- Improve alignment K-16
- Insure prerequisite availability
- Increase dual-credit
- Reduce enrollment gaps (income, ethnicity)
- Increase enrollment capacity
- Pilot Sliding Scale tuition model
- Improve facility utilization
- Improve retention
- **Access to High Quality Programs**
- Increase need-based financial aid
- Guarantee access to qualified applicants
- **Efficiency**
- Provide incentives for timely completion
- Recruit/Retain top faculty and staff
- **Affordability**
- Improve transfer/articulation
- Academic/Merit Scholarships
- Develop course equivalency system
- ***Improve the Value of Postsecondary Learning***
- Improve federal research market share
- Invest in targeted research
- Increase availability of Adult Basic Ed and ESL
- Target capacity to workforce needs
- **Economic Development**
- **Workforce**
- Improve Tech. Transfer
- Improve graduates' communication skills

Improve data use

2. **List key indicators of success and high-level purchase strategies. Please note if changes have been made from Tollgate #2.**

Tollgate 2 indicators:

Indicators	
Improve system efficiency	✓ % students participating in dual credit programs ✓ # credits completed in dual credit programs ✓ freshman retention rates ✓ % completion within 125% of allotted certificate/degree time ✓ Building utilization rates
Improve access to high quality programs	✓ Admission, retention, graduation rates across income classes and among ethnic groups ✓ Faculty retention rate ✓ Student/Graduate satisfaction (HECB, SBCTC summaries of institutional surveys)
Improve affordability	✓ % of student body with income less than state median income ✓ Average debt accumulation for graduating students
Improve responsiveness to workforce needs	✓ # of degrees conferred in high demand fields ✓ employers satisfaction rating of graduates' knowledge, skills, abilities (HECB, SBCTC summaries of employer surveys)
Improve contribution to economic development	✓ # of new technology transfer agreements executed and dollar volume ✓ # of new in-state companies spawned from university developed processes and technologies ✓ # of jobs generated as a result of state funded and non-state funded research

The team has collected and collated data from a number of sources. While we have a long way to go to turn all our indicators into easily measurable statistics, we have made considerable progress. Here are some of the changes/updates since Tollgate 2 (the measures we identified at Tollgate 2 are attached)

- Freshman retention data is now available for 1990-2003, and the team is reviewing it to determine an appropriate target level for the institutions.

- We now have data on high-demand degrees conferred from 1993-2003. While the definitions of 'high-demand' may change, the ability of OFM's forecasting unit to sort through CIP (course-level) data makes this tool relatively simple to adjust and use.

- We are currently reviewing three studies conducted by the Higher Education Coordinating Board that measure equivalents of our indicators: building utilization rates, debt accumulation of graduates and completion within 150% of allotted program time. These studies will form the basis for target levels for the higher education institutions.

- The technology transfer and economic development indicators require extensive studies, but the University of Washington has already done a lot of work on quantifying the economic impact of their research. We'll need to get similar studies from WSU as well, using a similar methodology, to get the full picture of the impact of research on job creation.

- The survey indicators have been updated to reflect the important contributions of the Workforce Training and Education Coordinating board, both in conducting employer satisfaction and for their work in highlighting high-demand fields.

- The largest area of work remaining concerns indicators that deal with income. While we have reasonable data for students who complete an application for federal financial aid (FAFSA), there's no data on students who don't apply.

High-Level Purchase Strategies (From Tollgate #2)

- Provide convenient and efficient educational service delivery
- Increase access to high quality programs
- Provide affordable learning opportunities
- Prepare a skilled workforce
- Contribute to state economic development

3. **Based on agency budget submittals, agency responses to targeted budget instructions, and other research since Tollgate #2 please answer the following questions:**

   A. **What one or two new ideas suggested by your team or agencies appear most worth pursing to improve results or reduce costs?**

   1: Reduce the burden of remediation
   We currently spend tens of millions of dollars just preparing college students for college-level work. In order to direct funding to activities that truly deliver value, we must reduce the costs of remediation. Our first idea mandates that community college students take math in their senior year of high school in order to receive subsidized remedial math courses in the community college system. High schools would be required to offer enough Algebra courses to accommodate every student.

Alternatively, high schools could design a senior level, semester long "brush-up" math course that prepares students to move into Algebra 2 in community colleges. While we wouldn't be able to institute this change until the 2nd year of the biennium (to give current 11th graders time to prepare), it would reduce remediation costs and improve alignment between K-12 and higher education. Note that mid-career students or others who had taken a certain number of years off after graduating high school would not be subject to this rule change. The intent is to reduce remediation amongst students coming directly from the K-12 system.

2: Efficiency Demonstration Grants
Despite the work of various institutions and agencies, and despite ubiquitous working groups, the higher education system still does not operate as efficiently as possible. We need to move students through the pipeline quicker, and we need to ensure that students moving from K-12 or community colleges know what's expected of them so that they can attain BA degrees within 2-3 years. Thus, one idea we have discussed proposes the creation of a fund for Efficiency Demonstration Grants. Funds would be provided on a competitive grant basis to the SBCTC or any public four-year institution. OFM would evaluate the proposals and select winners. Any proposal to save the state money over 3-6 years would be entertained – eg. Removing state subsidies for students who stay longer than 6 years, or mentoring programs that improved retention and time-to-degree, etc. Most importantly, a portion of each grant would go to an independent, outside researcher who would evaluate the success or failure of each proposal.

B. What changes in government operations, or in state law, are necessary to implement these new ideas?

Both would benefit from executive request legislation. The first proposal would require more extensive administration at each community college to verify that students took math in high school. The second proposal would create a new fund in the state treasury, and would require work on the Request For Proposals (RFP), contracting with researchers and criteria for selecting proposals. That said, the competitive grant process has worked well with high-demand enrollments, so it would not be a new role for OFM or the institutions. It would also require an adjustment in how OSPI's general apportionment is doled out to local school districts. While we wouldn't need additional funds for K-12, we would need to specify how districts could spend funds in order to ensure students had adequate math instruction available.